

SENATE CS FOR CS FOR HOUSE BILL NO. 104(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE TRANSPORTATION COMMITTEE

Offered: 5/13/22

Referred: Finance

Sponsor(s): REPRESENTATIVES JOSEPHSON, Hopkins, Kreiss-Tomkins, Schrage, Drummond

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to vehicle registration and registration fees; relating to the refined fuel**
2 **surcharge; suspending the tax on motor fuel; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 28.10.421 is amended by adding a new subsection to read:

5 (k) In addition to the other fees imposed under this section, the owner of an
6 electric vehicle shall pay a special biennial registration fee of \$100, the owner of a
7 vehicle powered by alternative fuel shall pay a special biennial registration fee of
8 \$100, and the owner of a plug-in hybrid vehicle shall pay a special biennial
9 registration fee of \$50. Fees collected under this subsection shall be deposited in the
10 special highway fuel tax account described in AS 43.40.010(g). In this subsection,

11 (1) "alternative fuel" includes hydrogen and natural gas;

12 (2) "electric vehicle" means a vehicle that is

13 (A) powered solely by an electric motor drawing current from
14 rechargeable batteries, fuel cells, or other portable sources of electrical current;

1 and

2 (B) manufactured primarily for use on public streets, roads, and
3 highways;

4 (3) "plug-in hybrid vehicle" means a vehicle that is

5 (A) capable of using gasoline, diesel fuel, or alternative fuel,
6 and is powered in part by electrical energy using a battery storage system
7 capable of being recharged from an external source of electricity; and

8 (B) manufactured primarily for use on public streets, roads, and
9 highways.

10 * **Sec. 2.** AS 28.35.155(a) is amended to read:

11 (a) It is unlawful to operate a motor vehicle with studded tires or tires with
12 chains attached on a paved highway or road from May 1 through September 15,
13 inclusive, north of 60 North Latitude and from April 15 through September 30,
14 inclusive, south of 60 North Latitude, except that at any latitude on a paved portion of
15 the Sterling Highway a person may not operate a motor vehicle with studded tires or
16 tires with chains attached from May 1 through September 15, inclusive. The
17 commissioner of public safety shall by emergency order provide for additional lawful
18 operating periods based on unusual seasonal or weather conditions. An emergency
19 order adopted under this section is not subject to AS 44.62 (Administrative Procedure
20 Act). Upon application, a special individual traction permit may be issued by the
21 Department of Administration allowing the operation of a motor vehicle with studded
22 tires or chains at any time at the discretion of the vehicle owner. The fee for the
23 special individual permit is one-third of the biennial registration fee applicable to that
24 class of vehicle under AS 28.10.421(b), (c), or (h) [AS 28.10.421]. The department
25 may provide an appropriate sticker or other device identifying the vehicle to which the
26 permit applies.

27 * **Sec. 3.** AS 43.40.005 is amended to read:

28 **Sec. 43.40.005. Refined fuel surcharge levied.** (a) Every dealer or user of
29 refined fuels shall pay a surcharge of \$.015 [\$.0095] a gallon on refined fuel sold,
30 transferred, or used in the state.

31 (b) The following refined fuels are exempt from the surcharge imposed under

1 this section:

2 (1) fuel sold to a federal or state government agency for official use;

3 (2) fuel consigned to a foreign country [REFINED AND USED
4 OUTSIDE THE UNITED STATES];

5 (3) liquefied petroleum gas;

6 (4) aviation fuel;

7 (5) fuel sold or transferred between qualified dealers.

8 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
9 read:

10 SUSPENSION OF TAX ON MOTOR FUEL. Notwithstanding AS 43.40.010(a) and
11 (b), the taxes levied under AS 43.40.010(a) and (b) are suspended beginning the first day of
12 the month following the effective date of this section and ending June 30, 2023. During the
13 suspension, the Department of Revenue or a dealer that sells or otherwise transfers fuel in the
14 state may not collect the taxes suspended under this section. During the suspension, a dealer
15 or user of refined fuel shall reduce the cost of fuel to the final consumer by an amount equal
16 to the amount of the tax suspended under this section. This section does not apply to a
17 payment of tax, interest, or a penalty due before the suspension takes effect.

18 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
19 read:

20 TRANSITION: REGULATIONS AND RETROACTIVITY OF REGULATIONS.
21 The Department of Revenue may adopt regulations under AS 44.62 necessary to implement
22 this Act. Notwithstanding AS 44.62.240, the Department of Revenue may adopt a regulation
23 to implement sec. 4 of this Act that applies retroactively. A regulation adopted by the
24 Department of Revenue to implement sec. 4 of this Act applies retroactively to the effective
25 date of sec. 4 of this Act.

26 * **Sec. 6.** Sections 4 and 5 of this Act take effect immediately under AS 01.10.070(c).

27 * **Sec. 7.** Sections 1 and 2 of this Act take effect July 1, 2023.

28 * **Sec. 8.** Section 3 of this Act takes effect January 1, 2023.